

MINUTES OF THE REGULAR MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

LACERS Ken Spiker Boardroom
202 West First Street, Fifth Floor
Los Angeles, California

November 13, 2018

10:18 a.m.

Agenda of: Nov. 27, 2018

Item No: II

PRESENT:	President:	Cynthia M. Ruiz
	Vice President:	(arrived at 10:18 a.m.) Elizabeth L. Greenwood
	Commissioners:	Nilza R. Serrano Michael R. Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
	Legal Counsel:	Anya Freedman
ABSENT:	Commissioners:	Elizabeth Lee Sandra Lee Sung Won Sohn

The Items in the Minutes are numbered to correspond with the Agenda.

Due to the lack of a quorum at the beginning of the meeting, President Ruiz proceeded to unofficially begin the Regular Board Meeting at 10:07 a.m. with Items III and IX.

Items III and IX were taken out of order

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz sent her condolences to Commissioner Elizabeth Lee on the passing of her mother-in-law. President Ruiz discussed the following items:

- She as well as Commissioners Greenwood and Serrano will be partnering as individuals with other female trustees in support of International Day for the Elimination of Violence against Women on November 25, 2018.
- President Ruiz thanked the Commissioners for their service and asked that they be more strategic on education. She directed an Executive Leadership Team to include Neil M. Guglielmo, Lita Payne, and Rod June, meet with each Commissioner to discuss an education plan.

IX

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, discussed the following items:
- LACERS Holiday Party to be held on December 13, 2018. All Commissioners are invited to attend.
 - Thanked City Attorney for their assistance with the 115 Trust being approved by the Mayor and City Council.
 - Making good progress while meeting with staff on the Strategic Plan.
 - Attended DWP Educational Off-Site. Asked the Board if they would like LACERS to host an educational symposium.
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, stated the Comprehensive Annual Financial Report (CAFR) will be presented to the Board at the December 11, 2018 Board Meeting.

Vice President Greenwood arrived at 10:18 a.m. at which time the quorum was met. President Ruiz called the Regular Meeting to order at 10:18 a.m.

I

PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION – President Ruiz asked if there were any persons who wished to speak on matters within the Board's jurisdiction, to which there was no response and no public comment cards were received. President Ruiz stated an email from Giovanna De La Rosa to Rod June, Chief Investment Officer, be added to the record as a public comment.

II

APPROVAL OF MINUTES FOR SPECIAL BOARD MEETING OF OCTOBER 16, 2018 AND REGULAR BOARD MEETING OF OCTOBER 23, 2018 AND POSSIBLE BOARD ACTION – A motion to approve the Special Board Meeting minutes of October 16, 2018 and Regular Board Meeting minutes of October 23, 2018 was moved by Vice President Elizabeth Greenwood, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Serrano, Wilkinson, Vice President Greenwood and President Ruiz -4; Nays, None.

IV

BOARD/DEPARTMENT ADMINISTRATION

- A. ACTUARIAL VALUATIONS AS OF JUNE 30, 2018 INCLUDING PROPOSED CITY CONTRIBUTION RATES FOR FISCAL YEAR 2019-20 AND POSSIBLE BOARD ACTION – Todd Bouey, Assistant General Manager, Dale Wong-Nguyen, Chief Benefits Analyst, and Paul Angelo, Actuary with Segal Consulting (via conference line) presented this item to the Board.

After further discussion, Commissioner Wilkinson moved approval, seconded by Vice President Greenwood, and adopted by the following vote: Ayes, Commissioners Serrano, Wilkinson, Vice President Greenwood and President Ruiz -4; Nays, None.

President Ruiz adjourned the Regular Meeting at 10:35 a.m. to convene in Closed Session.

V

DISABILITY RETIREMENT APPLICATION(S)

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF BELARMINA CARRERA AND POSSIBLE BOARD ACTION**

VI

LEGAL/LITIGATION

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (D)(4) TO CONFER WITH AND RECEIVE ADVICE FROM LEGAL COUNSEL REGARDING PENDING LITIGATION (ONE CASE) AND POSSIBLE BOARD ACTION**

VII

INVESTMENTS

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF ONE (1) PARTICULAR, SPECIFIC REAL ESTATE INVESTMENT AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 11:24 a.m. and announced that during Closed Session the Board unanimously approved the Disability Retirement Application of Belarmina Carrera, conferred with legal counsel, and considered a real estate investment item.

Items VII-B, VII-C, and VII-D were taken out of order.

- D. PRESENTATION BY PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI) REGARDING SIGNATORY MEMBERSHIP – Ophir Bruck, US Network Manager with Principles for Responsible Investment, presented this item to the Board. After further discussion, the Board thanked Mr. Bruck for the information.**

Vice President Greenwood left the Regular Meeting at 11:57 a.m. and there no longer was a quorum at the meeting.

- C. PRESENTATION BY CLEARBRIDGE INVESTMENTS, LLC REGARDING ESG INVESTING – Mary Jane McQuillen, Managing Director, Portfolio Manager and Vinay Nadkarni, Managing Director, with ClearBridge Investments, presented this item to the Board. After further discussion, the Board thanked Mr. McQuillen and Mr. Nadkarni for the information.**

Commissioner Wilkinson left the Regular Meeting at 12:23 p.m.

- B. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$17.038 Billion as of November 9, 2018. Mr. June stated that Ron Aubert, Investment Officer I is attending the SACRS Conference at Indian Wells, CA. He stated that the Pension Real Estate Association (PREA) is seeking an endorsement from LACERS. An informational packet was provided to the Board and public. Mr. June introduced the new Administrative Intern in Investments, Savatha Yem. Mr. Yem is an MBA student at Cal State Long Beach and will be graduating next May. Mr. June stated they still have an opening for a college intern and they are currently looking at applications to fill the spot. Commissioner Serrano asked staff to speak to PREA representative in order to add Cal State Los Angeles to their list of institutions for internships.

VIII

COMMITTEE REPORT(S)

- A. AUDIT COMMITTEE AND INTERNAL AUDIT CHARTER UPDATES AND POSSIBLE BOARD ACTION – Continued to the next Regular Board Meeting due to the lack of quorum.

X

CONSENT AGENDA

- A. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – Continued to the next Regular Board Meeting due to the lack of quorum.
- B. MARKETING CESSATION NOTIFICATION – Continued to the next Regular Board Meeting due to the lack of quorum.

XI

OTHER BUSINESS – There was no other business.

XII

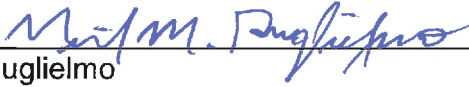
NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, November 27, 2018 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XIII

ADJOURNMENT – The Regular Meeting adjourned at 11:57 a.m. due to the lack of a quorum and discussion ended at 12:31 p.m.



Cynthia M. Ruiz
President



Neil M. Guglielmo
Manager-Secretary

